

Calendar No. 671

106TH CONGRESS }
2d Session }

SENATE

{ REPORT
106-336

THE GLOBAL AIDS AND TUBERCULOSIS RELIEF ACT OF 2000

JULY 11, 2000.—Ordered to be printed

Mr. HELMS, from the Committee on Foreign Relations,
submitted the following

REPORT

[To accompany S. 2845]

The Committee on Foreign Relations, having had under consideration an original bill to authorize additional assistance to countries with large populations having HIV/AIDS, to authorize assistance for tuberculosis prevention, treatment, control, and elimination, and for other purposes, reports favorably thereon and recommends that the bill do pass.

CONTENTS

	Page
I. Committee Action	1
II. Section-by-Section Analysis	2
III. Cost Estimate	6
IV. Evaluation of Regulatory Impact	8
V. Changes in Existing Law	8

I. COMMITTEE ACTION

On March 23, 2000 the Committee unanimously ordered reported S. 2382, the Technical Assistance, Trade Promotion and Anti-Corruption Act of 2000. S. 2382 was reported and placed on the Senate Legislative Calendar on April 7, 2000, and subsequently referred to the Committee on Banking, Housing, and Urban Affairs pursuant to paragraph 1(j)(10) of rule XXV of the Standing Rules of the Senate on April 11, 2000. Paragraph 1(j)(10) of rule XXV of the Standing Rules of the Senate provides that, “at the request of the Committee on Banking, Housing, and Urban Affairs, any proposed legislation relating to [the International Monetary Fund] reported by the Committee on Foreign Relations shall be referred to the Com-

mittee on Banking, Housing, and Urban Affairs.” The Banking Committee has taken no action on S. 2382 as of the writing of this report.

On Wednesday, June 28, 2000, the Committee on Foreign Relations considered and unanimously approved by voice vote the Global AIDS Research and Relief Act of 2000, which is identical to Subtitles D and E of S. 2382, the Technical Assistance, Trade Promotion, and Anti-Corruption Act of 2000.

II. SECTION-BY-SECTION ANALYSIS

TITLE I—ASSISTANCE TO COUNTRIES WITH LARGE POPULATIONS HAVING HIV/AIDS

Sec. 101. Short Title

This section designates this title as the “Global AIDS Research and Relief Act of 2000.”

Sec. 102. Definitions

This section defines four terms used in this subtitle: AIDS, Association (International Development Association), Bank (World Bank), HIV, and HIV/AIDS (an individual having HIV but not AIDS, or an individual having HIV and AIDS).

Sec. 103. Findings and Purposes

Section 103 sets out a number of Congressional findings concerning the global AIDS epidemic and identifies two main purposes of this subtitle. World Bank data show that over 90 percent of people with HIV/AIDS live in the developing world. Nearly two-thirds of adults and children suffering from HIV/AIDS live in sub-Saharan Africa, while another 24 percent live in Asia. Already, nearly 4.5 million children under the age of 15 have been infected with HIV, and of these 3 million have died of AIDS. This situation threatens to reverse years of progress of child survival in developing nations. The World Bank calls AIDS the “foremost and fastest-growing threat to development” in Africa, and has declared its new HIV/AIDS in Africa initiative its top priority for the region. The discovery of a relatively simple and inexpensive treatment—*navirapine* (NVP)—to interrupt the transmission of HIV from an infected mother to an unborn or newly born child presents an extraordinary opportunity for the U.S. Government to partner with governments in the developing world to fight the mother-to-child transmission of HIV, known as “vertical transmission.” If the current infection growth rates continue, the number of AIDS orphans may triple during the next 10 years, posing substantial economic, social, and political consequences. An expansive mother-to-child antiretroviral drug strategy can be a significant force for social change and play a critical role in confronting the HIV/AIDS epidemic in the developing world. The U.N. estimates that an additional 400 to 800 children are infected with HIV each day through breast feeding in many African countries. According to the Congressional testimony by U.N. Ambassador Richard Holbrooke, the single most important step in preventing the transmission of the HIV virus in Africa is to provide HIV-positive pregnant women and

nursing mothers with practical alternatives to breast feeding. The Committee expects USAID to address this issue and to coordinate with relevant U.N. agencies to prevent the transmission of HIV through breast feeding.

Subsection (b) states two purposes of the title: (1) to prevent human suffering; and (2) to ensure economic development, stability, and national security in developing nations by advancing research to better understand the causes of HIV/AIDS and help in the development of an AIDS vaccine.

Sec. 104. Additional Assistance Authorities to Combat HIV and AIDS

Section 104 amends the Foreign Assistance Act of 1961 (FAA) by adding additional authorities for USAID to engage in HIV/AIDS activities.

Specifically, subsection (a) directs USAID to coordinate with UNAIDS, UNICEF, WHO, local governments, and other organizations to create strategies to prevent HIV vertical transmission and implement intervention programs, and to continue programs for voluntary counseling and testing, the distribution of antiretroviral drugs and replacement feeding. The Committee expects USAID to pursue comprehensive, coordinated efforts to fight HIV and AIDS, making such efforts a priority of U.S. foreign assistance. USAID assistance should focus on primary prevention and education, voluntary testing and counseling, the provision of medications preventing the transmission of HIV and AIDS from mother to child, and care for those living with HIV and AIDS.

The provision authorizes the appropriation of \$300 million, in addition to funds otherwise available to implement the programs under this subsection. At least 65 percent of these funds are authorized for U.S. and foreign nongovernmental organizations, including private and voluntary organizations, for-profit organizations, religious affiliated organizations, educational organizations, and research facilities. Not less than 20 percent of these funds are authorized for programs that are part of a multidonor strategy to support and educate orphans in Africa, including AIDS orphans. Vertical transmission prevention activities are authorized to receive not less than 8.3 percent of the \$300 million authorization. Finally, no more than 7 percent of the \$300 million may be used to administer programs carried out under this subsection. The authorizations in section 243 reflect the importance the Committee places on nongovernmental organizations which play a vital role to combat HIV/AIDS and the Committee's belief that particular emphasis must be placed on the care and education of children orphaned by AIDS. However, the Committee also expects USAID to continue to support efforts of responsible governments, in Africa and elsewhere, to provide leadership and develop programs to reduce the incidences of AIDS in their countries. Ultimately the HIV/AIDS problem cannot be addressed without the involvement and cooperation of governments who understand the breadth of the problem and the urgent need to address it.

Subsection (b) amends section 496 of the FAA (dealing with the Development Fund for Africa) by inserting the authority to waive any restrictions on aid to countries for the provision of assistance

for training and training facilities in sub-Saharan Africa, for doctors and other health care providers.

Sec. 105. Voluntary Contribution to Global Alliance for Vaccines and Immunizations and International AIDS Vaccine Initiative

This section amends section 302 of the FAA authorizing \$50 million in fiscal year 2001 for a U.S. contribution to the Global Alliance for Vaccines and Immunizations (GAVI), and \$10 million for the International AIDS Vaccine Initiative. The President must further report at the end of fiscal year 2001 on the effectiveness of GAVI and the International AIDS Vaccine Initiative in meeting several goals.

Sec. 106. Multilateral Lifesaving Vaccine Purchase Fund

This section urges the President to begin negotiations with foreign governments and other interested institutions and parties to establish an international vaccine purchase fund that could buy and distribute in developing nations vaccines for malaria, tuberculosis, HIV, and any infectious disease that causes more than 1 million deaths worldwide each year. Such a fund could be an important market incentive for private sector vaccine research. The President is to report annually to Congress regarding the status of negotiations to establish the fund, and if established, recommendations for further activities.

Sec. 107. World Bank Trust Fund for AIDS Prevention and Eradication

Section 107 directs the Treasury Secretary to enter into negotiations with the World Bank or the International Development Association (IDA), member governments, and others to create a trust fund that would receive contributions and distribute the resources for AIDS programs in countries eligible to borrow from IDA. The trust fund would be administered by either the World Bank or IDA. Subsection (b) authorizes the appropriation of \$100 million in fiscal year 2001 for a U.S. contribution to the trust fund, money that would be in addition to other amounts for multilateral or bilateral AIDS programs. The Secretary of the Treasury must also report annually to the Senate Foreign Relations and Banking Committees and the House International Relations and Banking Committees on the goals, activities, and effectiveness of the trust fund in reducing the spread of AIDS worldwide.

Sec. 108. Negotiations for the Creation of a World Bank Trust Fund for Education of Orphans in Sub-Saharan Africa

This section requires the Secretary of the Treasury to begin negotiations with the World Bank or the International Development Association (IDA), member governments, and others to create a trust fund that would support primary and secondary education programs for orphans in sub-Saharan Africa. Subsection (b) authorizes the appropriation of \$50 million in fiscal year 2001 for a U.S. contribution to the trust fund.

Sec. 109. Coordinated Donor Strategy for Support and Education of Orphans in Sub-Saharan Africa

This section amends the Foreign Assistance Act of 1961 by inserting a new section 131 addressing orphans in Africa. It requires the President to coordinate a multidonor strategy to support and educate AIDS orphans, and the families, communities, and institutions most impacted by the HIV/AIDS epidemic in sub-Saharan Africa. A waiver is provided so that any U.S. assistance extended under this section can be made notwithstanding any other provision of law that would otherwise restrict the aid.

Sec. 110. African Crisis Response Initiative and HIV/AIDS Training

Section 110 addresses the problem of soldiers in African militaries who are infected with HIV/AIDS and who may spread the disease where civil unrest and war arise. This provision requires that U.S. education and classroom training courses for African militaries under the African Crisis Response Initiative include military-based education on the prevention of the spread of HIV/AIDS.

TITLE II—INTERNATIONAL TUBERCULOSIS CONTROL

Sec. 201. Short Title

This section designates this title as the International Tuberculosis Control Act of 2000.

Sec. 202. Findings

Tuberculosis, which has been largely controlled in the U.S. and elsewhere in the Western world, has re-emerged as a growing cause of adult mortality in developing nations. The World Bank estimates that about 1.86 million people died of tuberculosis-related illnesses in 1998 and that one-third of the world's population is infected with tuberculosis. Due to the relative ease with which it is transmitted, tuberculosis poses a serious public health threat to the United States and other areas where the disease had been brought under control. Nearly 40 percent of U.S. tuberculosis cases are associated with foreign-born individuals, leading to the conclusion that it will remain a problem for the United States until it is controlled abroad. Although the means to control tuberculosis exist, several obstacles stand in the way of effective control of the disease: lengthy screening, detecting, and treating processes; limited funds and trained personnel, the need for unique country-specific interventions; and the risks posed by bad tuberculosis programs. Therefore, a well designed and coordinated global effort could make a significant contribution in combating this growing public health problem.

Sec. 203. Assistance for Tuberculosis Prevention, Treatment, Control, and Elimination

This section amends the Foreign Assistance Act of 1961 by adding new language stating Congressional expectation that USAID will coordinate with various health organizations to develop and implement a comprehensive tuberculosis control program. Congress further anticipates that USAID will establish as goals, to be

achieved by December 31, 2010, the detection of 70 percent of infectious tuberculosis cases, and the cure of at least 85 percent of such cases, in countries where the Agency has established programs. Included is the authorization of \$60 million in fiscal year 2001 to carry out the purposes of this subtitle.

III. COST ESTIMATE

In accordance with rule XXVI, paragraph 11(a) of the Standing Rules of the Senate, the Committee provides the following estimate of the cost of this legislation prepared by the Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 29, 2000.

Hon. JESSE HELMS, *Chairman,*
U.S. Senate,
Committee on Foreign Relations,
Washington, DC.

DEAR MR. CHAIRMAN:

The Congressional Budget Office has prepared the enclosed cost estimate for the Global AIDS and Tuberculosis Relief Act of 2000.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Joseph C. Whitehill.

Sincerely,

DAN L. CRIPPEN, *Director.*

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

Summary

The Global AIDS and Tuberculosis Relief Act of 2000 would authorize appropriations of \$570 million in 2001. The bill would authorize \$150 million for contributions to new trust funds within the World Bank to help developing countries fight HIV/AIDS and to educate orphans in sub-Saharan Africa. It would authorize \$420 million for bilateral and multilateral programs to fight infectious diseases. Assuming the appropriation of the authorized amounts, CBO estimates that implementing the bill would cost \$505 million over the 2001–2005 period. Because it would not affect direct spending or receipts, the bill would not be subject to pay-as-you-go procedures.

The Global AIDS and Tuberculosis Relief Act of 2000 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

Estimated Cost to the Federal Government

The estimated budgetary impact of the bill is shown in the following table. The costs of this legislation fall within budget function 150 (international affairs).

Spending Subject to Appropriation
[By fiscal year, in millions of dollars]

	2000	2001	2002	2003	2004	2005
Spending Under Current Law for Infectious Disease Programs:						
Budget Authority ¹	210	0	0	0	0	0
Estimated Outlays	136	156	53	27	18	13
Proposed Changes:						
Estimated Authorization Level	0	570	0	0	0	0
Estimated Outlays	0	92	207	96	64	46
Spending Under the Bill for Infectious Disease Programs:						
Estimated Authorization Level ¹	210	570	0	0	0	0
Estimated Outlays	136	248	260	123	82	59

¹ The 2000 level is the amount appropriated for that year.

Basis of Estimate

The bill would authorize the appropriation of \$570 million in 2001 for bilateral and multilateral programs to fight AIDS and other infectious diseases and to assist orphans. For this estimate, CBO assumes appropriation of the authorized amounts by or near the start of fiscal year 2001.

World Bank Trust Funds. The bill would authorize the Secretary of the Treasury to negotiate with the World Bank and other donor countries to create two new trust funds within the bank. The first trust fund would provide grants to countries eligible to borrow from the bank to help them deal with the HIV/AIDS epidemic. The second trust fund would support primary and secondary education programs for orphans in sub-Saharan Africa. The bill would authorize the appropriation in 2001 of \$100 million for a contribution to the HIV/AIDS fund and \$50 million for a contribution to the sub-Saharan Africa fund.

Based on experience with other facilities operated by multilateral development banks, CBO estimates that it would take the bank and donor community more than one year to organize the operations of the trust fund and to begin making grants. CBO assumes that project selection and subsequent grants would augment lending by the bank, thus limiting administrative overhead. We also assume that the appropriated amounts would be provided to the trust fund as a letter of credit that would be drawn upon as needed to finance the grants, thus spreading outlays over a number of years. Using those assumptions, CBO estimates that approximately 75 percent of the authorized amounts would be disbursed over the next five years. CBO also estimates that the costs of negotiations and reporting requirements would be negligible.

Other Programs. The bill would also authorize \$420 million to fight infectious diseases—\$360 million for bilateral assistance to fight HIV/AIDS and tuberculosis, \$50 million for a contribution to the Global Alliance for Vaccine Initiative, and \$10 million for a contribution to the International AIDS Vaccine Initiative. Up to \$21 million of the authorized amounts would be available for administrative expenses. Based on historical spending patterns for similar programs, CBO estimates that appropriation of the authorized amounts would result in outlays of \$391 million over the next five years.

Pay-As-You-Go Considerations

None.

Previous CBO Estimate

On April 6, 2000, CBO transmitted a cost estimate for S. 2382, the Technical Assistance, Trade Promotion, and Anti-Corruption Act of 2000. This bill contains a subset of the provisions in the earlier bill, and the cost estimates for those provisions are the same.

Intergovernmental and Private-Sector Impact

The Global AIDS and Tuberculosis Relief Act of 2000 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

Estimate Prepared By

Federal costs: Joseph C. Whitehill. Impact on state, local, and tribal governments: Leo Lex. Impact on the private sector: Lauren Marks.

Estimate Approved By

Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

IV. EVALUATION OF REGULATORY IMPACT

In accordance with rule XXVI, paragraph 11(b) of the Standing Rules of the Senate, the Committee has concluded that there is no regulatory impact from this legislation.

V. CHANGES IN EXISTING LAW

In compliance with paragraph 12 rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

Foreign Assistance Act of 1961

* * * * *

SEC. 104. POPULATION AND HEALTH.—(a) FINDINGS. * * *

(c) ASSISTANCE FOR HEALTH AND DISEASE PREVENTION.—(1)
* * *

(4)(A) *Congress recognizes the growing international dilemma of children with the human immunodeficiency virus (HIV) and the merits of intervention programs aimed at this problem. Congress further recognizes that mother-to-child transmission prevention strategies can serve as a major force for change in developing regions, and it is, therefore, a major objective of the foreign assistance program to control the acquired immune deficiency syndrome (AIDS) epidemic.*

(B) *The agency primarily responsible for administering this part shall—*

(i) coordinate with UNAIDS, UNICEF, WHO, local governments, and other organizations to develop and implement effective strategies to prevent vertical transmission of HIV; and

(ii) coordinate with those organizations to increase in scale intervention programs and introduce voluntary counseling and testing, antiretroviral drugs, replacement feeding, and other strategies.

(5)(A) Congress expects the agency primarily responsible for administering this part to make the human immunodeficiency virus (HIV) and the acquired immune deficiency syndrome (AIDS) a priority in the foreign assistance program and to undertake a comprehensive, coordinated effort to combat HIV and AIDS.

(B) Assistance described in subparagraph (A) shall include providing—

(i) primary prevention and education;

(ii) voluntary testing and counseling;

(iii) medications to prevent the transmission of HIV and AIDS from mother to child; and

(iv) care for those living with HIV or AIDS.

(6)(A) In addition to amounts otherwise available for such purpose, there is authorized to be appropriated to the President \$300,000,000 for fiscal year 2001 to carry out paragraphs (4) and (5).

(B) Of the funds authorized to be appropriated under subparagraph (A), not less than 65 percent is authorized to be available through United States and foreign nongovernmental organizations, including private and voluntary organizations, for-profit organizations, religious affiliated organizations, educational institutions, and research facilities.

(C)(i) Of the funds authorized to be appropriated by subparagraph (A), not less than 20 percent is authorized to be available for programs as part of a multidonor strategy to address the support and education of orphans in sub-Saharan Africa, including AIDS orphans.

(ii) Assistance made available under this subparagraph may be made available notwithstanding any other provision of law.

(D) Of the funds authorized to be appropriated under subparagraph (A), not less than 8.3 percent is authorized to be available to carry out the prevention strategies for vertical transmission referred to in paragraph (4)(A).

(E) Of the funds authorized to be appropriated by subparagraph (A), not more than \$21,000,000 may be used for the administrative expenses of the agency primarily responsible for carrying out this part of this Act in support of activities described in paragraphs (4) and (5).

(F) Funds appropriated under this paragraph are authorized to remain available until expended.

(7)(A) Congress recognizes the growing international problem of tuberculosis and the impact its continued existence has on those nations that had previously largely controlled the disease. Congress further recognizes that the means exist to control and treat tuberculosis, and that it is therefore a major objective of the foreign assistance program to control the disease. To this end, Congress expects the agency primarily responsible for administering this part—

(i) to coordinate with the World Health Organization, the Centers for Disease Control, the National Institutes of Health, and other organizations toward the development and implementation of a comprehensive tuberculosis control program; and

(ii) to set as a goal the detection of at least 70 percent of the cases of infectious tuberculosis, and the cure of at least 85 percent of the cases detected, in those countries in which the agency has established development programs, by December 31, 2010.

(B) There is authorized to be appropriated to the President, \$60,000,000 for fiscal year 2001 to be used to carry out this paragraph. Funds appropriated under this subparagraph are authorized to remain available until expended.

* * * * *

SEC. 131. COORDINATED DONOR STRATEGY FOR SUPPORT AND EDUCATION OF ORPHANS IN SUB-SAHARAN AFRICA.

(a) *STATEMENT OF POLICY.*—It is in the national interest of the United States to assist in mitigating the burden that will be placed on sub-Saharan African social, economic, and political institutions as these institutions struggle with the consequences of a dramatically increasing AIDS orphan population, many of whom are themselves infected by HIV/AIDS. Effectively addressing that burden and its consequences in sub-Saharan Africa will require a coordinated multidonor strategy.

(b) *DEVELOPMENT OF STRATEGY.*—The President shall coordinate the development of a multidonor strategy to provide for the support and education of AIDS orphans and the families, communities, and institutions most affected by the HIV/AIDS epidemic in sub-Saharan Africa.

(c) *AUTHORITY.*—Assistance made available under this section may be made available notwithstanding any other provision of law.

(d) *DEFINITION.*—In this section, the term “HIV/AIDS” means, with respect to an individual, an individual who is infected with—

- (1) the human immunodeficiency virus (HIV); or
- (2) HIV and the acquired immune deficiency virus (AIDS).

* * * * *

SEC. 302. AUTHORIZATION.—(a) * * *

[(j)] In addition to amounts otherwise available under this section for such purposes, there are authorized to be appropriated to the President \$3,000,000 for fiscal year 1989 to be available only for United States contributions to multilateral and regional drug abuse control programs. Of the amount authorized to be appropriated by this subsection—

[(1)] \$2,000,000 shall be for a United States contribution to the United Nations Fund for Drug Abuse Control;

[(2)] \$600,000 shall be for the Organization of American States (OAS) Inter-American Drug Abuse Control Commission (CICAD) Legal Development Project, except that the proportion which such amount bears to the total amount of contributions to this specific project may not exceed the proportion which the United States contribution to the budget of the Organization of American States for that fiscal year bears to the total contributions to the budget of the Organization of American States for that fiscal year; and

【(3) \$400,000 shall be for the Organization of American States (OAS) Inter-American Drug Abuse Control Commission (CICAD) Law Enforcement Training Project, except that the proportion which such amount bears to the total amount of contributions to this specific project may not exceed the proportion which the United States contribution to the budget of the Organization of American States for that fiscal year bears to the total contributions to the budget of the Organization of American States for that fiscal year.】

(j) *In addition to amounts otherwise available under this section, there is authorized to be appropriated to the President \$50,000,000 for fiscal year 2001 to be available only for United States contributions to the Global Alliance for Vaccines and Immunizations.*

(k) *In addition to amounts otherwise available under this section, there is authorized to be appropriated to the President \$10,000,000 for fiscal year 2001 to be available only for United States contributions to the International AIDS Vaccine Initiative.*

* * * * *

CHAPTER 10—DEVELOPMENT FUND FOR AFRICA

SEC. 496. LONG-TERM DEVELOPMENT ASSISTANCE FOR SUB-SAHARAN AFRICA.—(a) * * *

* * * * *

(i) CRITICAL SECTORAL PRIORITIES.— * * *

(1) AGRICULTURAL PRODUCTION AND NATURAL RESOURCES.—

* * * * *

(2) HEALTH.—Improving health conditions, with special emphasis on meeting the health needs of mothers and children (including displaced children) through the establishment of primary health care systems that give priority to preventive health and that will be ultimately self-sustaining. *In addition, providing training and training facilities, in sub-Saharan Africa, for doctors and other health care providers, notwithstanding any provision of law that restricts assistance to foreign countries.*